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May 16, 2003

Keith A. Sauerland
236 Cross Creek Lane
Lindenhurst, IL 60046

RE: Patent Investigation for the Invention Entitled "Cordless Stethoscope"; Our Case No. 03093.

Dear Keith:

Pursuant to your instructions, we have conducted a search on your subject invention of issued U.S. Patents, and we are pleased to submit our final report to you concerning this subject. Our search was made using a database prepared by the United States Patent and Trademark Office. This database is normally current up to two weeks before the date of this Report. Thus, any U.S. patent issued within the last two weeks would not be available to our Searcher without a special hand search and study in the U.S. Patent Gazette and is not included in this Patentability Report. A search of this type would not be included in the standard costs that our firm charges and would entail added expenses to you should you wish us to review the U.S. Patent Gazettes.

We enclose one copy of each of the U.S. patents found by our Searcher as listed below. We have analyzed the patents and the purpose of this communication is to submit our final opinion to you concerning your chances of securing patent protection on your subject invention over the prior art that has been uncovered.

The most pertinent U.S. patents found by my Searcher are listed below:

Inventor	Issued:	TITLE OF PATENT	U.S. PATENT #
Abbruscato	08/27/1996	Remote Stethoscope Signal Processing System	5,550,902
McIntyre et al.	02/18/1997	Stethoscope and Headset System	5,604,811
	12/30/1997		5,701,904
Bernstein et al.	11/03/1998	Universal Stethoscope Amplifier with Graphic Equalization and Teaching and Learning Ports	5,832,093
Abbruscato	11/24/1998	Digital Telephonic System for Stethoscope Signal Processing	5,841,846
Andrea	06/01/1999	Noise Canceling Improvement to Stethoscope	5,909,495

<u>Inventor</u>	<u>Issued:</u>	<u>TITLE OF PATENT</u>	<u>U.S. PATENT #</u>
Dieken	08/03/1999	Stethoscope Having Microphone Therein	5,932,849
Murphy	04/17/2001	Electronic Stereophonic Amplifier	6,219,424
Simms	01/22/2002	Transmitter/Receiver Stethoscope and Holder Therefor	6,340,350
Chong et al.	04/08/2003	Stethoscope system for Self Examination Using Internet	6,544,198

In connection with this search, you will appreciate that we have not extended our search to cover the foreign art or non-patent publications, since this would involve an additional search beyond the one that you have authorized us to make for you. Further, it does not include a review of pending U.S. patent applications, which are maintained in secrecy by the U.S. Patent Office pursuant to federal law. These pending U.S. patent applications are unavailable for examination by the public. Still further, you must understand that there is a possibility that there are patents which are missing and misclassified, and our searcher has no way of reviewing patents in such event in a search of this type. Our search also did not cover prior issued foreign patents or publications, all of which are prior art. Further, this search report relates to the patentability of your invention and not to the issue of patent infringement. The patent searcher is an independent contractor and has done searching for us for some time and has had considerable experience working in the field. We do not assume any responsibility for any omissions or oversights as searching is a specialty apart from the professional services which our office provides to our clients. In order for you to consider the issue of patent infringement, it is necessary to make a different type of a patent search involving a more comprehensive search of the unexpired U.S. patents and to evaluate the patent claims contained in those unexpired patents. We can also conduct foreign patent searches should you wish us to do so. Should you wish further information, please let us know.

You should note as a further point, that there are over 6 million issued U.S. Patents, and perhaps thousands of U.S. Patents have been issued relating to cordless audio devices. With this in mind, it is highly unlikely that two skilled searchers searching the prior art relating to cordless audio devices would provide the same results. Searchers have different backgrounds, one background not necessarily being better than another, and as a result, each searcher may search the prior art using a different method resulting in different conclusions.

SUMMARY OF CLASSES SEARCHED

The following classes and subclasses were searched for relevant prior art dealing with the subject invention: Class . The following words were searched for relevant prior art dealing with the subject invention: Stethoscope, cordless, wireless, remote, electronic.

DESCRIPTION OF YOUR: "CORDLESS STETHOSCOPE"

Your invention is basically described in the attached description submitted by you and marked as "EXHIBIT A" (1 page). Our search embraced the invention shown in "EXHIBIT A".

DISCUSSION OF PRIOR ART

U.S. Patent No. 5,550,902 issued to Abbruscato discloses a remote stethoscope system that allows a doctor at one location to listen to the stethoscope sounds coming from a stethoscope being used by a patient in his or her remotely-located home. The acoustic stethoscope sounds are converted into electrical signals, frequency shifted up to the telephone band, and then conveyed over a conventional telephone line.

U.S. Patent No. 5,604,811 issued to McIntyre et al. discloses a stethoscope and headset system comprising a stethoscope having a monitor mechanism for monitoring internal bodily vibrations of a patient and

U.S. Patent No. 5,832,093 issued to Bernstein et al. discloses an assembly used for modifying an ordinary acoustic stethoscope to an electronically amplified stethoscope. An earpiece unit which replaces the standard earpiece on the earpiece-end of the ordinary acoustic stethoscope, is positioned so the standard air column response of any ordinary acoustic stethoscope is picked up by a microphone placed inside this special earpiece unit, thus capturing the acoustic output of the parent stethoscope and transmitting it back to a preamplifier/amplifier and frequency equalizer unit.

U.S. Patent No. 6,340,350 issued to Simms discloses an electronic stethoscope and holder. The chestpiece includes a sound sensing device for sensing auscultatory sounds and converting the sounds into an electric signal and a radio wave transmitter for transmitting the electrical signal. The earpiece includes a receiver for receiving a transmitted electrical signal and converting the electrical signal into an audible form.

U.S. Patent No. 6,544,198 issued to Chong discloses a stethoscope system for self-examination whereby the condition of health of a particular individual can be diagnosed by comparing characteristic sound waves classified by disease with sound waves generated from various parts of the individual's body.

In connection with the unexpired utility patents, you should know that if the Maintenance Fees have not been paid then that patent would not be enforceable. Maintenance Fees are due every 3 ½ , 7 ½ and 11 ½ years to keep an issued utility patent in a viable state and enforceable under the patent laws of the United States. The patentability search that you have authorized us to perform for you does not include a maintenance fee analysis for the utility patents uncovered by our Searcher. However, if you desire we could make an additional search to determine whether the unexpired utility patents have been properly maintained and are still enforceable by the patent owner. The question of enforceability of a U.S. Patent is not normally a question of whether a given invention is patentable, but rather is part of a patent infringement investigation involving patent enforcement issues. No maintenance fees are required for design patents.

DISCUSSION OF THE PATENT LAW AND YOUR CHANCES OF SECURING A PATENT

The patent laws which are most relevant to consideration of patentability are found in Title 35 of the United States Code, some of which are reproduced in part hereafter. Briefly, an invention will not be patentable unless it falls within certain statutory classes of eligibility established by 35 U.S.C. Sections 100 and 101. The patent law also requires that a structure to be patented must not have been invented or patented previously. The "anticipation" statute, 35 U.S.C. Section 102, also establishes a one-year statute of limitations for filing an application. Generally, the latter time period begins to run from the date that the invention is used non-experimentally in public, sold, or offered for sale.

The most difficult statute to satisfy is 35 U.S.C. Section 103, which prohibits the issuance of patents on so-called "obvious" inventions. In applying any of these laws, the Patent Office Examiner primarily looks to previously issued patents such as the references or patents attached herewith. However, it is important to keep in mind that an "obviousness" rejection may be based upon a "hypothetical combination" consisting of elements shown in a variety of the above-referenced patent documents.

Also, in order to satisfy 35 U.S.C. Section 112, there is a duty upon both the inventor and the patent attorney to include in the patent application the best mode contemplated by the inventor for carrying out the claimed invention. This duty relates to the method, mode or material(s) used to practice the claimed invention, and the duty exists until the moment after the patent application is filed with the U.S. Patent and Trademark Office.

Under the existing rules and practices of the U.S. Patent and Trademark Office and pursuant to the applicable Federal Patent Statutes, the Patent Office is guided by the following statutes, among others:

"101. Inventions patentable

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent thereof, subject to the conditions and requirements of this title." (Emphasis added, 35 U.S.C. § 101).

"102. Conditions for patentability; novelty and loss of right to patent

A person shall be entitled to a patent unless -

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country (important to note), before the invention thereof by the applicant for patent, (important to note) or

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States, or

(c) he has abandoned the invention, or

(d) the invention was first patented or caused to be patented, or was the subject of an inventor's certificate by the applicant or his legal representatives or assigns in a foreign country, prior to the date of the application for patent in this country on an application for patent or inventor's certificate filed more than twelve months before the filing of the application in the United States, or

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title (35 USCS 371 (c) (1), (2), (4) before the invention thereof by the applicant for patent, or

(f) he did not himself invent the subject matter sought to be patented, or

(g) before the applicant's invention thereof, the invention was made in this country by another who had not abandoned, suppressed, or concealed it. In determining priority of invention there shall be considered not only the respective dates of conception and reduction to practice on the invention, but also the reasonable diligence of one who was first to conceive and last to reduce to practice, from a time prior to conception by the other." (35 U.S.C. § 102).

"103. Conditions for Patentability; Non-obvious subject matter

A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the difference between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made." (35 U.S.C. § 103).

"112. Specification.

The specification shall contain a written description of the invention, ... , and shall set forth the best mode contemplated by the inventor of carrying out the invention." (35 U.S.C. § 112.)

As an additional matter, if you are interested in gaining any foreign patent protection, please contact us immediately so that we may discuss this matter with you in further detail. You should understand that under 35 U.S.C. 122, each application for patent shall be published shortly after the expiration of a period of 18 months (or earlier if so requested) from the earliest filing date for which a benefit is sought. There are several exceptions to this rule, however, of which you should further be aware. In this last regard, an application shall not be published if that application is no longer pending, is subject to a secrecy order, is a provisional application, or is an application for design patent. Further, if you make a request upon filing your application, certifying that the invention disclosed in the application has not and will not be the subject of an application filed in another country that requires publication of applications 18 months after filing, the application shall not be published.

DISCUSSION OF PRACTICES OF PATENT OFFICE

After your U.S. Patent Application is filed, the U.S. Patent Office assigns your application to a Patent Examiner. The Patent Examiner then takes up your application after prior received applications have been examined. You are required to await your turn unless you file a Petition to Make Special, which is granted only in special situations and only after a Petition is filed. If you wish information on such petitions, please let us know.

Under the existing practice of the U.S. Patent Office, it is not necessary for the Examiner to find all of the features of a device being considered for patentability in a single prior art patent in order to reject patent claims that are submitted for examination. Under certain circumstances, foreign patents and publications are also prior art under U.S. Patent Laws. The Examiner can pick out features in one patent and take the position that it would be obvious to a man skilled in the art to use those features in the structure shown in a second piece of prior art or a second patent. Prior art may be in the form of a patent or it can be illustrated in a prior publication or may be the subject of a prior public use. In most instances, the Examiner relies on the patented prior art although publications are available to the Examiner such as catalogs of manufacturers where they are offering their devices and goods for sale, which may or may not be patented. The Examiner can rely on prior art illustrated in catalogs of this type. You can, of course, argue the validity of claim rejections of this type in an effort to convince the Patent Examiner that your invention is patentable over such prior art in responses to any claim rejections made by the Patent Examiner, and it is not uncommon for the Patent Examiner to then withdraw the rejection and then to allow the patent claims.

It is not uncommon for the U.S. Patent Office to refuse to allow a patent application at the time it prepares its initial Office Action. The Patent Office does take the position that the burden of proof is upon the Patent Applicant to establish that a patentable invention has been made. In applying this standard, some Patent Examiners require a Patent Applicant to respond to the Office Action in a paper that is normally called an Amendment where the reasons are set forth why it is believed an invention is patentable over the prior art. At such time as when the Amendment is prepared, it may then be necessary also to revise the patent claims to more precisely differentiate a claimed invention from the prior art rejections that the Patent Examiner may assert. Thus, the costs for preparing Amendments are not included in the charges here quoted. These costs are determined by your attorney based upon the amount of time required to complete the work. There are instances where no Amendments need to be filed and the Examiner approves your patent claims after his or her initial examination. You must understand that it is the patent claims that define your invention and this is the monopoly that is granted to you by the U.S. Patent Office should you succeed in gaining approval of the patent claims. When it comes to enforcing your patent, it is these claims that are looked at to judge whether or not a third party might be infringing your patent. A court would then closely examine the patent claims to make a determination as to whether the claims are readable or in terms and do cover the invention that is the subject of the patent. If the court finds that the alleged infringer has usurped your claimed invention, then the court could enter judgment of patent infringement against the alleged infringer.

DISCUSSION OF REQUIREMENT BY U.S. PATENT AND TRADEMARK OFFICE TO FILE AN INFORMATION DISCLOSURE STATEMENT

The statutory requirements state, as follows: "Each individual associated with the filing and prosecution of a patent application has a duty of candor and good faith in dealing with the Office, which includes a duty to disclose to the Office all information known to that individual to be material to patentability as defined in this section. 37CFR1.56(a).

Individuals associated with the filing or prosecution of a patent application within the meaning of this section are:

- (1) each inventor named in the application;
- (2) each attorney or agent who prepares or prosecutes the application; and

(3) every other person who is substantively involved in the preparation or prosecution of the application and who is associated with the inventor, with the assignee or with anyone to whom there is an obligation to assign the application. 37CFR1.56(c)"

This Information Disclosure document can be filed at the time the application is filed or at a later point in the patent prosecution. In order to expedite the patent prosecution and the early approval of the application for issuance into patent, it is the practice of our firm to recommend that the Information Disclosure statement be filed at the time of the filing of the application. This is a special document that requires that the inventor disclose any prior art of which he is aware, as well as other information which may have a bearing on the knowledge of the inventor with respect to the subject of the patent application being considered by the U.S. Patent and Trademark Office. It should further be understood that the information to be disclosed is not limited to the prior art patents known by the inventor but also extends to "all information known to the inventor to be material to patentability." Accordingly, it is hereby requested that the inventor give this subject thorough consideration and provide the U.S. Patent and Trademark Office with any and all material that would be material to patentability of the subject matter being claimed in the patent application.

DISCUSSION OF COST OF A PATENT APPLICATION

You should understand that throughout the process of seeking to obtain your Federal Registration, there will be correspondence exchanged between the U.S. Patent and Trademark Office and our office and between our office and you. As a service to our clients, we will be providing you with some legal analysis concerning the subject matter of the correspondence we transmit to you. Generally, we provide this analysis without seeking your specific request in an effort to assist you in making an educated decision about how the correspondence affects your federal rights and what action you must take, if any, to obtain and/or maintain your federal registration. Our report may also provide information about time periods prescribed by the U.S. Patent and Trademark Office to act after receiving official correspondence from the U.S. Patent and Trademark Office and which varies from case to case, to docketing these matters for future action and to advise you as to what action you must take to protect your rights. We will then bill you separately for our legal services and out-of-pocket costs rendered in advising you concerning any correspondence or Office Actions received from the U.S. Patent and Trademark Office relative to any patent application you may file.

The estimated minimum cost for preparing and filing a Utility Patent Application in the U.S. Patent Office on your invention as disclosed to date would be \$6,081, per the table below. If there are additional embodiments requiring additional drawings over one and additional claims or an expanded patent specification, the filing cost can be as much as \$10,000. Also, if you proceed with more than one embodiment requiring patent claims covering more than one invention, then your costs may be increased. Our fees are based on the amount of time required to complete the preparation and filing of the patent application. If you wish to disclose and claim additional embodiments, then the costs can increase in accordance with the time and effort required, plus any added out-of-pocket expenses. After filing your application with informal drawings, we will review your patent sketches with our Patent Draftsman and determine the number of patent drawings required for an issuing patent. By example, a utility patent application for a single embodiment usually requires at least three (3) sheets of patent drawings. The cost for the first sheet of patent drawings ranges from \$225 to \$250. If additional sheets are required the cost range would be \$200 to \$225 for each additional one. If you elect, the drawing expenses can be deferred to reduce filing costs as discussed in the Conclusion Section of this report. Patent prosecution charges, if any, occur after the patent application has been filed and are billed to you at a later date should you wish to respond to any Office Action issued by the U.S. Patent Office. Once the patent application is finally approved by the U.S. Patent Office, then patent issuance fees become due. These fees include a Small Entity U.S. Government Fee of \$620.00 plus our office charges for final processing of the required paperwork.

Attorney Services	\$5,000.00 - \$7,000.00 (cost range)
U.S. Government Fee	\$ 375.00 (small entity applicant)
Information Disclosure Document	\$ 275.00
Docketing Fee and Office Appl. File	\$ 75.00
Typing, postage, copies including multiple sets of patent copies	\$ 340.00
Express Mail	\$ 16.00
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Estimated Minimum Filing Cost as of May 16, 2003	<u>\$6,081.00*</u>

* Excludes costs for any drawings, more embodiments than one and additional modifications, added claims, extended conferences, 2% credit card processing fees, and rewrites for late submitted data, if any.

In order for you to maintain your legal costs at the lowest level it is essential that you assist your Attorney as much as possible to avoid expensive rewrites of your Patent Application while under preparation. Late submitted information can be costly and oftentimes can force one of our Attorneys to have to put in substantial amounts of added time in having to redraft already prepared paperwork concerning your patent application. One way to minimize this problem is to provide a complete Patent disclosure at the start-up time when you authorize us to start the work and to avoid late submissions of new disclosure. If you submit material late added charges can be incurred because of the added time to rewrite work already completed. You must also remember that once your Patent Application has been filed in the U.S. Patent and Trademark Office no "new matter" can be added without the re-filing of it and pay the re-filing costs.

As a further point, please note that under International Treaty the United States Patent and Trademark Office has agreed to publish pending applications within 18 months of filing. Under this new law your drawings should be placed in proper form for publication within 18 months and in reality if they are not submitted at the time of filing in proper formal condition, you may expect that the United States Patent and Trademark Office will notify you in the weeks or months after you file your application that your drawings must be placed in formal condition satisfactory to meet the printing requirements of the United States Patent and Trademark Office. In view of this change, in order to save you legal cost and time, we recommend that the drawings be placed in formal condition at the time of filing the application in the United States Patent and Trademark Office. We need for you to advise us if you wish to prepare formal drawings and the following cost estimate would apply to you.

Formalized Patent Drawings	\$225.00 to \$250.00 (Sheet No. 1)
	\$200.00 to \$225.00 (for each additional sheet)

CONCLUSIONS

1. Based upon our study of the previously issued U.S. Patents uncovered by our Searcher, in our opinion there is little opportunity to obtain a Utility Patent on the subject invention shown and described in "Exhibit A". U.S. Patent No. 6,340,350 issued to Simms discloses a stethoscope having a chestpiece with a radio transmitter and earpieces with radio receivers that teaches many of the basic concepts of your invention. Your invention disclosure to date has been sufficient to conduct a patentability investigation, but lacks the disclosure of details that may distinguish your invention over the prior art uncovered by our Searcher. After you have had the opportunity to review the Patents uncovered in our report to you, you may have some added thoughts that come to your attention that were not disclosed to us that may make a difference between success and failure in your effort to obtain a Patent on your invention. If you have any significant points of distinction after reading this report, please contact us.

2. INFRINGEMENT CONSIDERATION LANGUAGE - You should note that the legal issue of patentability of an invention is a separate and distinct legal issue apart from the issue of patent infringement. Our study and report here is confined solely to the issue of patentability and it is very important that you understand the distinctions being explained here. The legal question of patent infringement has not been the subject of this patent investigation because of the added expenses that would be involved in completing a further infringement study. When a patent infringement investigation is made, the attorney examines all relevant un-expired patent claims, which is another time consuming task, or at least those un-expired patent claims in only selected patents that are deemed by you to be the most pertinent.

With respect to the unexpired patents uncovered in our search, it is our recommendation that you authorize us to make a patent infringement study of these patents by comparing the issued patent claims contained in the patents with your Cordless Stethoscope to ascertain whether any of those unexpired claims belonging to third parties might be readable in terms of the Cordless Stethoscope that you now propose to manufacture as identified in "EXHIBIT A". Fortunately, there are not too many patents to be considered but it is our opinion that it would be prudent for you to have us review those claims before you commence manufacture to avoid a

possible future legal entanglement with current owners of the unexpired patents. We would estimate the cost for conducting this study would be in the range of \$1,500 to \$2,500, plus out-of-pocket expenses, depending on the amount of time required to complete the work. If there are any patent claims that appear to require closer interpretation and study, it may be necessary to order a patent File History from the U.S. Patent and Trademark Office so that we could review the remarks of the U.S. Patent and Trademark Office and of the attorney for the applicant leading to various interpretations to be placed upon the claim language and which are not apparent on the face of the patent. These interpretations must be evaluated in close cases as the statements made by the Patent Examiner and the attorney representing the patentee could include admissions against interest that can be helpful to a party attempting to avoid a charge of patent infringement.

3. Assuming that the Searcher has found the most pertinent art and that there are no more pertinent U.S. Patents, there still remains a possibility that the U.S. Patent Office may reject your application based on 35 U.S.C. 103 as discussed earlier in our report. While this possibility exists, it is our opinion that there is still a reasonable chance that you may succeed to secure a few patent claims on your invention, which would then result in U.S. Letters Patent being issued to you. There is no certainty that the U.S. Patent Office will reject your application based on 35 U.S.C. 103 and likewise there is a reasonable chance that you will succeed should you proceed and file a patent application.

4. You have the option of filing the Utility Patent application with or without formal patent drawings. The patent procedures are such that a patent applicant can use informal drawings such as photographs and/or sketches of an invention instead of formal drawings. Then, after the case is filed and assuming that the patent office approves it for issuance into patent, you can file formal drawings. By proceeding in this manner, you can avoid the added expense of paying for patent drawings now. By deferring the preparation of final drawings you can reduce the filing cost of your patent application at this time, but the formal drawings will be required after a Notice of Allowance has been issued by the U.S. Patent Office. You must remember, however, that once the application is filed no amendments can be made to the patent specification and/or the drawings, which would present any so-called "new matter". Thus, the photographs and the drawings must be complete in every detail and show your device so that when the case is approved, you can then use those materials to prepare the formal patent drawings. We have not included the cost of the drawings in our estimate. If no drawings are required this cost would be avoided.

5. While your application is pending in secrecy before the U.S. Patent Office you can mark your product and your literature with the legend "Patent Pending" and this action should discourage the public from copying your invention. This is an important advantage when an invention is being marketed.

6. Pursuant to the requirements of the Federal Statutes and the U.S. Patent and Trademark Office, the patent applicant is required to file an Information Disclosure Statement. This subject is discussed in further detail earlier in this report. In substance, the requirement imposes a duty on the patent application to disclose to the office all of the information known to that patent applicant to be material to the patentability of the invention being disclosed.

7. Should you wish us to proceed and prepare a U.S. Utility Application for patent, we would ask that you would send us an Advanced Fee Payment check in the amount of \$3,000 to cover some of the costs and out-of-pocket expenses. The funds that you would send to us as a retainer would be applied to the final bill for our services and out-of-pocket expenses. The final amount due would be payable at the time when we complete the patent application and send it to you for your signature. Our fees can be paid by cash, check, or credit card. We would also independently invoice you for the required patent drawings, after completion and approval by you, as discussed at an earlier point in our report.

8. Should you elect to file a Patent Application, we ask that you send us duplicate sets of copies of the patents or return this report to us and we will copy the patents since we will need them to send to the Patent Office along with your Patent Application. These patents must be disclosed to the Patent Office along with an Affidavit or Declaration which we will attach to the Application.

9. Should you elect to file a U.S. Utility Patent application, we would strongly recommend that you file your patent application as soon as possible to secure the earliest possible filing date to "complete your invention." The mere act of conception does not "complete your invention." A second act is required to complete your invention which means either (1) filing your U.S. patent application, which is regarded in law as a constructive reduction to practice, or (2) building and testing your device under "ordinary operating conditions" which is regarded in law as an actual reduction to practice.

It is the best practice to also file your patent application, where possible, on your commercial product or at least a prototype that approximates the product that you intend to sell in the marketplace. The reason for this recommendation is that if you file your patent application on your disclosure as shown in "EXHIBIT A", subsequent changes that may occur between what is disclosed there and the commercial embodiment that you may ultimately market may result in a number of significant alterations being made in the structural configuration. It would be to your advantage to have the features of your commercial product included in your patent application since the differences that you may make could be quite material in defining and securing coverage on the ultimate commercial product that you may market. There may be important advantages for you to file your application now on the subject of "EXHIBIT A" rather than delay until you ultimately develop a commercial product. By delaying the filing you may save hundreds of dollars in legal costs should you be required to make changes, but this delay could delay the "completion of your invention" which could be detrimental to you and your rights.

It is also important that you understand that, under the Patent Statute, no new matter can be added to an application once it is filed. The only way to add new matter and include additional information in an application is to file a new application which includes both the original subject matter as well as the new matter that you desire to include.

Should you seek help from an outside party in the production of a commercial product, we further recommend that you contact us for assistance in preparing a proper contract with your commercial developer so that that party will not be in a position to claim any ownership in any modifications of your invention. In the past, we have observed that our clients sometimes have

problems with third parties in this type of a situation and hence you would be well advised to have a properly drawn contract to protect yourself. Further in this regard, you should know that any non-confidential disclosure of your product may jeopardize your foreign rights. Thus, you must proceed with caution and in confidence should you continue to develop your product before you file a U.S. patent application.

10. In order to complete a patent application, the U.S. patent application must be filed in the name of the inventor or inventors as the case may be. In addition, we need information as to the citizenship, residence and mailing address of each inventor for the formal filing papers. If the U.S. patent application is to be assigned to a corporation, we need the precise corporate name, its address and its state of incorporation. We can also assist you in the formalities of a new corporation should you wish to pursue this endeavor with the legal advantages of operating as a corporation.

11. We look forward to hearing from you as to your decision in this matter. Remember, all disclosures that you submit to us shall be held strictly confidential and will not be publicly disclosed without your express written approval to do so. When and if your patent issues, the patent file history in the U.S. Patent and Trademark Office, as well as your government printed U.S. Letters Patent, becomes publicly available by operation of U.S. law.

If we can be of further assistance to you or should you have any questions, please let us know. With kindest regards, I am

Very Sincerely,

Charles F. Meroni, Jr.

Charles F. Meroni, Jr.

EXHIBIT A

March 26, 2003

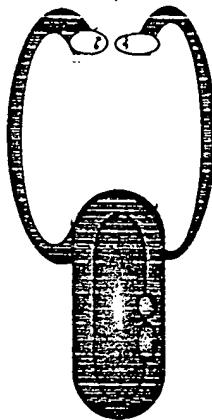
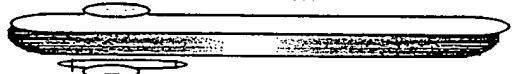
Wireless/CORDLESS STETHOSCOPE

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TOP VIEW



SIDE VIEW



THIS IS THE HANDHELD PORTION
TO BE USED OUTSIDE OF THE
HAZMAT SUIT.

THE INTERNAL
FM RECEIVER WORN
IN POCKET OR AROUND
THE NECK

In the process of wearing a self-contained airtight HAZMAT suit, physicians and nurses are limited in their ability to use a stethoscope. Sliding a stethoscope from beneath the hood of a HAZMAT suit would compromise the integrity of the suit.

This device would enable the wearer of the suit to perform those tasks using a stethoscope that are necessary in an emergency hazardous materials situation.

The portion of the device used to sample the chest and heart sounds would consist of a stethoscope bell and diaphragm connected to a specialized microphone that operates in the appropriate frequency response for this listening task. This in turn would be linked to an amplifier and FM transmitter. The sounds detected would be transmitted to an FM receiver inside the HAZMAT suit. Ear pieces would enable the operator to sample the sounds. The receiver could be worn on a cord around the neck or in a pocket if available.

Because of the quieting effect of an FM signal, any interference of necessary audible communication with associates would not occur when the audio from the handheld unit is discontinued.